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FM AMEMBASSY ABUJA
TO RUEHC/SECSTATE WASHDC PRIORITY 7677
INFO RUEHOS/AMCONSUL LAGOS 5436
RUEHZK/ECOWAS COLLECTIVE
RUEHRO/AMEMBASSY ROME 0376
RUEHDK/AMEMBASSY DAKAR 0308
RULSDMK/DEPT OF TRANSPORTATION WASHDC
RUEANHA/FAA NATIONAL HQ WASHINGTON DC

UNCLAS ABUJA 002894

SIPDIS

SENSITIVE SIPDIS

DOT PASS TO FAA
DAKAR PASS TO FAA REP ED JONES
ROME PASS TO TSA REP JOHN HALINSKI

E.O. 12958: N/A

TAGS: EAIR CASC AMGT ASEC NI

SUBJECT: NIGERIAN AVIATION, TOURISM MINISTERS EXCHANGE JOBS

REF: ABUJA 2867

- 11. (SBU) Summary. Following concern over the October 29 ADC Airlines crash that killed 96 persons, Nigerian President Obasanjo announced November 2 he had switched the jobs of two ministers. Former Minister of Aviation Babalola Borishade took the job of Femi Fani-Kayode, Minister of Culture and Tourism, and the former tourism minister became aviation minister. Virgin Nigeria Airlines continues to replace expatriate employees with Nigerian staff. Fani-Kayode's appointment is unlikely to lead to badly needed reform of the aviation sector, whose safety performance has been in freefall since early 2005. End Summary.
- 12. (U) Following public concern over the latest major air disaster in Nigeria, an ADC Airlines crash on October 29 that killed 96 persons, Nigerian President Obasanjo announced November 2 he had switched the jobs of two ministers. Former Minister of Aviation Babalola Borishade took the job of Femi Fani-Kayode, Minister of Culture and Tourism, and the former tourism minister became Nigeria's new minister of aviation.
- 13. (U) Public and political reaction in Nigeria to the crash has been strong. Earlier in the week, at least four senators called for Borishade's immediate resignation following the ADC crash.
- 14. (U) Femi Fani-Kayode was Obasanjo's special assistant on public affairs prior to being named tourism minister. The new aviation minister is a lawyer and is from Ile-Ife in Osun State, in Nigeria's southwest. Fani-Kayode is very close to Obasanjo and on several occasions has described the president as his "political father."
- 15. (SBU) Regarding Fani-Kayode, a Lagos Consulate aviation contact said that Virgin Nigeria Airlines and the Aero Contractors airline blacklisted him approximately six months ago from using their services because the minister would not submit to their security screenings and became belligerent when airline staff insisted that he do so. This contact contended that Obasanjo's selection of Fani-Kayode as his new aviation minister signaled the president's belief thatLvzWin Atlantic Nigeria Group representative with Virgin Nigeria (VN) Airways and chief executive officer of aviation logistics. Adebanjo said VN's gradual replacement of the airline's expatriate technical staff with Nigerian employees was part of a long-term business plan. This was being carried out as the company's wet-lease arrangements expire and as Nigerian crew members who had been trained in the United States and the United Kingdom replace foreign crews. Currently, Nigerians staff all of VN's domestic flights, while the airlines' regional and international flights use a mixture of expatriate and Nigerian employees. An expatriate employee oversees the airline's security operations.

17. (U) In the next 24 months, Adebanjo said VN plans to replace most of its expatriate technical employees with Nigerian citizens. He emphasized that security and safety were of the "utmost concern" to VN, and that this replacement of expatriates would be as gradual as necessary to ensure that Nigerians in technical positions have received state-of-the-art training. Adebanjo added that VN very much hopes to receive USG approval for direct flights to the United States, and that the company's hiring and training of Nigerian employees are part of VN's efforts to demonstrate it is a Nigerian airline, rather than a UK-dominated company.

Comment

18. (SBU) Borishade also is a close associate of President Obasanjo, which likely account's for the former aviation minister's retaining a cabinet post. For his part, new Minister of Aviation Femi Fani-Kayode has inherited a very challenging portfolio, and one that might prove even more difficult than attempting to lure tourists to Nigeria. It is difficult to predict where Fani-Kayode will start his efforts to "reform" a badly and broadly broken aviation sector whose safety performance has been in freefall since early 2005.

CAMPBELL